



Livestock Indemnity Program -- Contract Growers

Background

The Livestock Indemnity Program for Contract Growers is an emergency initiative administered by the Farm Service Agency (FSA) to provide assistance to livestock producers who, under specific contractual agreements, raise livestock owned by others. This program will provide partial reimbursement to eligible producers for economic losses with respect to such livestock in 1999 if the losses were the result of natural disasters.

Where Is This Assistance Available?

Assistance is available to eligible producers only in areas in which a disaster occurred in calendar year 1999 in primary counties where a Presidential Disaster Declaration or Secretarial Disaster Designation was requested and subsequently approved.

Assistance is available only in counties named as primary disaster counties. Assistance is not available in contiguous counties under this program.

Who Is Eligible?

Eligible producers are those who:

- 1) other than the livestock owner, had a financial interest and risk in the eligible livestock or products derived from the eligible livestock, as defined by the terms of the contractual agreement, at the time of the disaster loss;
- 2) suffered a loss of income as a result of the loss of eligible livestock under contract at the time of the disaster event for which the Presidential Declaration or Secretarial Designation was made. The losses must be attributed to the disasters in the declaration or designation;
- 3) are citizens of, or legal resident aliens in, the United States.

Eligible livestock categories are:

- Cattle;
- Sheep;
- Goats;
- Swine;
- Poultry, including egg-producing poultry;
- Equine animals used for food or the production of food;

- Buffalo and beefalo, when maintained on the same basis as cattle.

Producers must provide documentation to support loss claims. Horses used for purposes other than human food or the production of food are not eligible.

How Is The Payment Calculated?

Livestock categories, average contract rates during the disaster period, and normal mortality rates are used by the Commodity Credit Corporation (CCC) in the establishment of national payment rates. If the producer's income loss attributed to the loss of livestock under contract exceeds the loss of income associated with the normal mortality for the applicable category, benefits can be issued to compensate for the income loss.

If the total calculated payments under all approved applications exceed the amount allocated, a uniform reduction will be applied to each producer's payment.

Will The Payment Be Reduced if I Have Private Insurance?

Payments are not adjusted to account for insurance indemnities or compensation received from other sources.

Fact Sheet

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When Will Producers Be Reimbursed?

Payment will be made after all applications have been received and it has been determined whether a uniform reduction must be applied.

When And Where Can I Sign Up?

The signup period for assistance will begin March 27, 2000. Application should be made at the FSA county office serving your area.

Further information is available at your local FSA office. These are usually listed in telephone books under "United States Government, U.S. Department of Agriculture." You may also obtain information from FSA's Home Page at: www.fsa.usda.gov

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